



# engropolymer & chemicals

February 18, 2015

The General Manager  
Karachi Stock Exchange (Guarantee) Ltd.  
Stock Exchange Building  
Stock Exchange Road  
Karachi.  
**Fax: 111-573-329**

The Secretary  
Lahore Stock Exchange (Guarantee) Ltd.  
19, Khayabane Aiwane Iqbal  
Lahore-54000  
**Fax: (042) 36368485**

The Secretary  
Islamabad Stock Exchange (Guarantee) Ltd.  
Stock Exchange Building, Blue Area  
Islamabad  
**Fax: (051) 111-473-329**

## MATERIAL INFORMATION


Dear Sirs,

In accordance with Clause (xxiii) of Listing Regulation 35 under the Code of Corporate Governance we are pleased to convey the following information:

Under the material information disclosure requirements of the Listing Rules we have to inform you that the Board of Engro Polymer and Chemicals Limited (EPolymer) has (subject to regulatory and shareholder approval) approved the issuance by the Company of preference shares (by way of a rights issue) of Rs. 4bn to its existing shareholders which includes Engro Corporation Limited. The Preference Shares will carry a dividend of 14% per annum, will be cumulative, non-redeemable, non-participatory, non-convertible and the Company will have a call option upon expiry of the 3<sup>rd</sup> anniversary of their issue to buy them back at par value.

The business conducted by EPolymer (primarily being the manufacture of polyvinyl chloride resin and VCM) is exposed to commodity volatility and during the year 2014, as a result of international commodity prices remaining highly volatile, the business margins of EPolymer diminished. The issue of preference shares of Rs.4bn will serve as financial support enabling EPolymer to strengthen its balance sheet.

Yours faithfully

  
**SCHAANE ANSARI**  
Company Secretary